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# FALKLAND ISLANDS (MALVINAS)

Working paper prepared by the Secretariat

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# FALKLAND ISLANDS (MALVINAS) 1/

## I. LAND AND PEOPLE

1. The Falkland Islands (Malvinas), which is administered by the United Kingdom of Great Britain and Northern Ireland, comprises two large islands known as East and West Falkland, as well as some 200 smaller islands and has a total area of about 12,173 square kilometres. The Territory is situated in the south Atlantic Ocean, about 770 kilometres north-east of Cape Horn and about 480 kilometres east of the South American mainland. South Georgia, located about 1,300 kilometres east-south-east of the Falkland Islands (Malvinas) group and the South Sandwich Islands, about 750 kilometres east-south-east of South Georgia, are administered from the Falkland Islands (Malvinas) as a matter of convenience; the Governor of the Falkland Islands (Malvinas) acts as Commissioner for South Georgia and the South Sandwich Islands.

2. According to the March 1991 census, the ordinary resident population of the Territory was 2,121, excluding military personnel and contract workers, but including some expatriate staff in permanent posts. Of the total, 1,643 lived at Stanley, the capital, and its environs and the remainder were scattered throughout the Territory. In 1980, according to the census of that year, of 1,813 permanent inhabitants, 1,360 were born in the Territory and about 300 in the United Kingdom.

## II. CONSTITUTION AND GOVERNMENT

3. The Constitution of the Falkland Islands (Malvinas) came into effect on 18 April 1985. (For details, see the 1985 working paper prepared by the Secretariat (A/AC.109/835 and Corr.1, paras. 4-39.)) It vests executive power in a Governor, assisted by an Executive Council consisting of the Chief Executive and Financial Secretary and three members nominated by the elected members of the Legislative Council. It provides that the Legislative Council should consist of eight elected members and the Chief Executive and Financial Secretary as ex officio members.

4. The election of the Legislative Council is regulated by the Constitution together with the Electoral Ordinance adopted by the Council in 1988. By virtue of these instruments, the Territory is divided into two constituencies for electoral purposes: the Stanley Constituency, which comprises the capital and its environs and the Camp Constituency, made up of the rest of the Territory. There are four elected members for each constituency and all persons who are Commonwealth citizens 18 years or older and who satisfy the residency requirements are allowed to vote. Elections must be held at intervals not longer than just over four years. The last general election took place in 1989.

## III. CONSIDERATION BY THE UNITED NATIONS

### A. The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

5. The Special Committee considered the question of the Falkland Islands (Malvinas) as its 1363rd, 1366th and 1368th to 1370th meetings, between 1 and 14 August 1990. The Committee acceded to a request from Argentina to participate in its consideration of the question at its 1369th meeting.

6. Statements were made by the representatives of Cuba (A/AC.109/PV.1369) and Argentina (A/AC.109/PV.1370). The United Kingdom did not particpate in the Committee's consideration of the item.

7. At its 1363rd and 1366th meetings, the Special Committee granted requests for hearing of petitioners and, at its 1369th meeting, heard statements by four petitioners (A/AC.109/PV.1369).

8. At its 1370th meeting, on 14 August, which marked the conclusion of its consideration of the item, the Special Committee adopted, by 20 votes to none, with 3 abstentions, a draft resolution (A/AC.109/L.1743) introduced by Venezuela on behalf also of Chile and Cuba.

9. On 27 August, the text of the resolution (A/AC.109/1050) was transmitted to the Permanent Representatives of Argentina and of the United Kingdom to the United Nations for the attention of their Governments.

### B. General Assembly

10. During the forty-fifth session of the General Assembly, the representative of Argentina, in the course of his statement in the general debate (A/45/PV.5), outlined the position of his Government on the question of the Falkland Islands (Malvinas). References to the question were also made by the representatives of Botswana (A/45/PV.25), Cuba (A/45/PV.11) and Guinea (A/45/PV.17).

11. In his statement before the General Assembly on 24 September 1990, the representative of Argentina said that by having restored diplomatic relations with the United Kingdom, Argentina had initiated a process of normalization that was already bearing fruit. The new situation had been made possible by the political decision of President Carlos Saul Menem to come to an agreement with the United Kingdom on a formula protecting the sovereign rights of Argentina over the Malvinas, South Georgia and the South Sandwich Islands, which could not be relinquished. Implementation of that agreement enabled Argentina to advance in the strengthening of bilaterial relations with the United Kingdom while searching for ways and means to solve existing differences. His Government believed that the new climate between Argentina and the United Kingdom [should] also facilitate, at the appropriate time, the

resumption of negotiations on sovereignty repeatedly called for by the General Assembly. In the meantime, both countries needed to work out special and creative arrangements that would permit cooperation between mainland Argentina and the Islands while adequately taking into account the interests of the islanders. The existing lack of contact was anachronistic and inconsistent with the prevailing atmosphere of goodwill between Argentina and the United Kingdom. The Argentine Government again expressed its political will to put an end to [that] situation of isolation and to comply fully with the General Assembly resolutions on the Malvinas Islands (A/45/PV.5).

12. The United Kingdom did not refer to the question of the Falkland Islands (Malvinas) during the general debate. The last formal statements of the United Kingdom Government on the question were reflected in the 1990 working paper (A/AC.109/1042, paras. 14-16).

13. On 12 December 1990, the General Assembly adopted, without a vote, decision 45/424, in which it took note of a letter from Argentina and the United Kingdom (A/45/136-S/21159) and decided to defer consideration of the question of the Falkland Islands (Malvinas) and to include it on the provisional agenda of its forty-sixth session.

## IV. CONSIDERATION BY OTHER INTERGOVERNMENTAL ORGANIZATIONS

### Organization of American States

14. At its twenty-first regular session, held in June 1991, the General Assembly of the Organization of American States (OAS) adopted by consensus a declaration in which it considered that since its last regular session positive developments had taken place affecting many aspects of the relations between the two countries, but not with regard to "The question of the Malvinas Islands", and recalled its resolution of 19 November 1988 requesting the Governments of Argentina and the United Kingdom to resume negotiations in order to find a peaceful settlement to the dispute regarding sovereignty as soon as possible and resolved to continue examining the matter in subsequent sessions until a definitive settlement was reached (A/46/255).

## V. POLITICAL DEVELOPMENTS

15. Political developments up to March 1990 were reported in previous working papers prepared by the Secretariat for the Special Committee (see particularly A/AC.109/1042, paras. 20-32).

16. During the year under review, no further political developments were reported.

## VI. ECONOMIC CONDITIONS

### A. General

17. Following the establishment in 1987 of the Falkland Islands Interim Conservation and Management Zone (FICZ), the economy of the Falkland Islands (Malvinas), which had been almost entirely dependent on the production and export of wool, was dramatically transformed. Fees from the sale of fishing licences became the greatest source of revenue and were of such a magnitude as to make the Territory financially independent from the administering Power. Besides improving government finances, the increase in revenues caused wages and salaries to rise faster than the rate of inflation and led to increased immigration of contractors and public officers involved with the fishing industry. As a result of these rapid changes, in 1988 the per capita national income increased to £22,960, compared with £4,510 in 1980.

18. In 1989, however, new problems began to emerge. In the agricultural sector, difficulties in the subdivided farms were aggravated by a sudden decline in the demand for wool on the world market. Also, businesses such as ship servicing and stevedoring began to fall off, with fewer ships using the islands for transshipping and bunkering.

19. During 1990, according to the administering Power, despite the revenue from fishing, there was a net outflow of funds in the public sector, as well as a reduction in profitability in the private sector. Agriculture and the emergent tourist industry, classified as income-generating sectors, required financial assistance, while sectors such as retail trade, recreation and construction, although expanding, were expenditure-dependent. Subject to surveys, there is a possibility of oil development at some time in the future.

### B. Agriculture, land tenure and livestock

20. In recent years, the local Government had been acquiring the Territory's huge, absentee-owned sheep ranches and subdividing and selling them in smaller units to farmers, thus encouraging the evolution of a farming system based on owner-occupation. In March 1991, the Government purchased the remaining four farms belonging to the Falkland Islands Company, an institution established by Royal Charter in 1852, which once owned a large proportion of the total farmland of the Territory.

21. According to the administering Power, as a result of the subdivision, the number of farms increased from 36 in the late 1970s to 86 in 1991. Another direct consequence of the subdivision has been a transfer of majority ownership from overseas to the Territory. Before 1980, 76 per cent of the land was owned by overseas companies, compared with less than 5 per cent at present.

22. In 1989, there was a total of 745,123 sheep in the Territory. There were also between 300,000 and 400,000 geese, 5,876 head of cattle and 1,827 horses. 2/

23. In 1989, the Territory exported 2,620 tons of raw wool and 1,703 tons of clean wool. Although it accounts for less than 1 per cent of world wool production, the wool produced in the Falkland Islands (Malvinas) is of high quality. 2/

24. The Agricultural Research Centre under the Department of Agriculture is responsible for agricultural expansion in the Territory. Its staff includes specialists in agronomy, sheep husbandry and animal health, who provide support for farmers, in particular new landholders under the land development scheme, on technical matters.

25. The staff of the Department of Agriculture consists of a director, a veterinary officer, four scientific officers, two laboratory technicians, five extension/advisory staff and five support personnel. The Department's budget for 1991/92 is estimated at £710,000.

26. In January 1989, the Agricultural Grant Scheme, designed to encourage further investment in agriculture and to provide assistance to locally owned companies, was intrcduced in the Territory. The scheme is based on a five-year farm development plan available to all farmers.

## C. Fisheries

27. As previously reported (see A/AC.109/1042, paras. 48-51), FICZ was established in 1987 to protect from overfishing the vast breeding grounds of squid and other species found in the continental shelf of the Falkland Islands (Malvinas).

28. FICZ established a licensing system to limit the number of fishing vessels and the total catch. There are currently some 200 vessels licensed to fish in FICZ, compared with 600 in 1986, when there was no formal regulation.

29. In order to administer FICZ, a Department of Fisheries was established in the Territory. One of its most important tasks is the collection of scientific data on the fish stocks to ensure that future levels of fishing remain compatible with the needs of conservation.

30. In 1989, the total catch from FICZ was just under 300,000 tons. With approximately 185,000 tons, squid was the most important species caught, followed by a number of fin-fish species such as blue whiting, hake and hoki.

31. On 26 December 1990, following an agreement reached one month earlier betwen the Governments of Argentina and the United Kingdom, another fishing zone, known as the Falklands Outer Conservation Zone (FOCZ), was established. The agreement imposes a temporary total ban on commercial fishing for ships of

any flag between latitudes 45° and 60° in the FOCZ. The agreement also provides for the creation of a South Atlantic Fishing Commission, composed of representatives of both Governments, which is to meet twice a year alternately at Buenos Aires and in London.

## D. Industry

32. The Falkland Islands Development Corporation (FIDC) was established in 1984 to advise the territorial Government in matters pertaining to economic development. The Corporation is vested with the authority to approve projects up to £250,000 without reference to the United Kingdom Overseas Development Administration. It provides grants and loans for development projects at advantageous interest rates in order to increase self-sufficiency and the export of processed and manufactured products.

33. With assistance from FIDC, a number of small businesses have been established. Currently, some 65 small businesses receive support from FIDC. These include a taxi service, a bus service, an electronics repair service, a mechanical repair shop, a number of restaurants, bars and retail outlets, a metal-working business, a driving school and a laundry. Other projects assisted by FIDC are a poultry farm and a market garden, which produce eggs and a range of salad vegetables sufficient to supply the local community and the military. Two dairies have also been set up to provide the population of the Territory with milk, cream and butter. In Stanley, the community is supplied with bread from two local bakeries and meat from a butchery.

## E. Tourism

34. The Falkland Islands Tourism Board, a subsidiary of FIDC established in 1985, promotes the Territory as a tourist destination. It has financed the construction of accommodations suitable for tourists at Sea Lion Island, San Carlos, Salvador, Port Howard and Pebble Island. The Board has also provided financial assistance for self-catering accommodations at Chartres, Dunbar, Weddell, Carcass, Saunders Island and Fox Bay. In addition to various promotional leaflets, a video on the Territory's tourism potential has been produced for distribution to tour operators.

## F. Mining

35. Currently, there is no significant mining activity in the Territory. However, there is increasing interest in the possibility of the existence of substantial offshore oil reserves. Although the very high production costs and the unpredictable weather conditions may limit the involvement of oil companies in exploiting whatever resources might exist, a press report indicates that British Petroleum, Shell, Occidental Petroleum and Conoco have begun talks with the territorial Government and some of these companies might start preliminary operations in the southern waters of the Territory in 1992. 3/

## G. Energy

36. A power station has been installed at the Fox Bay East settlement. Throughout the rest of the Territory other than Port Stanley, power is derived from small-engined generators.

37. During 1990, owing to the installation of new equipment, the power station's maximum output was 4.7 megawatts. A 10 kilowatt wind generator was placed on Pebble Island in 1987. Interest in solar energy is reportedly growing.

## H. Transport and communications

38. There are 110 kilometres of roads in the Territory outside Stanley, of which approximately 20 per cent are surfaced in bitumen, asphalt or concrete. The remainder are all-weather roads of crushed stone surface. There are no railways in the Territory.

39. The Government of the Territory operates an internal air service using three twin-engined Islander aircraft. The main airport, located at Mount Pleasant, about 30 kilometres from Stanley, has a runway of 2,590 metres and is capable of receiving wide-bodied jet aircraft. There are flights to and from the United Kingdom twice a week and, since May 1990, a small Chilean airline, Aerovías DAP, has provided regular fortnightly service betwen Punta Arenas in southern Chile and the Falkland Islands (Malvinas). 4/ Airmail is flown regularly via Ascension Island.

40. Inter-island sea transport is offered by two small cargo vessels, one of 229 tons and one of 144 tons, both operated by a local shipping company. There is a shippng service between the United Kingdom and the Territory, with cargo vessels arriving approximately every month.

41. There is a government-owned and operated telephone system at Stanley and an extensive radio-telephone network throughout the Territory. An international service, first established in 1968, has now been extended to a full 24-hour-a-day service. During 1990, Cable and Wireless continued the installation of a £5.4 million digital telecommunications network spanning the entire Territory. Its cost is shared by the Falklands Islands Government and Cable and Wireless, which also supplies the Territory's international service.

42. Radio broadcasts are provided by the Falkland Islands Broadcasting Station, a non-commercial radio operating 24 hours a day, financed jointly by the Government and by the British Forces Broadcasting Service, a division of the Services Sound and Vision Corporation (SSVC) of the United Kingdom. A television service also operated by SSVC is available at Stanley and some areas of East Falkland. It currently broadcasts for about five hours each day. It is expected that this service will be extended to most parts of the Territory by 1992.

## I. Banking

43. The only bank in the Territory is the Standard Chartered Bank of the United Kingdom, which opened a branch at Stanley in December 1983 which provides a full range of banking facilities. Both United Kingdom and local coinage are used, together with local currency notes of values £20, £10, £5 and £1.

## J. Public finance

44. Ordinary revenue decreased from £42.1 million for the year ended June 1989 to an estimated £38.5 million in 1990. Major sources of revenue included fisheries and the issuance of fishing licences, personal and company tax, public works, customs and harbour receipts, post and telecommunications and aviation.

45. Corresponding information for 1990 expenditures is not available. In 1989, total expenditure amounted to £32.6 million, compared with £31.1 million in 1988. Of that amount, £18.1 million represented ordinary expenditure.

46. Previously, the United Kingdom was the most important trading partner of the Falkland Islands (Malvinas). In 1990, however, although the United Kingdom continued to be the largest source of the Territory's imports, over 90 per cent of the Territory's exports went to western and eastern European countries, as well as to Asia, particularly Japan. Major exports are fishing licences (£30 million) and wool (£3 million).

47. The largest category of imports since 1988 has been capital goods, namely plant and machinery for the construction of industry, motor vehicles and central heating systems. Fuel oil and food remain the most important consumer imports. No import statistics have been maintained since 1986.

# VII. SOCIAL AND EDUCATIONAL CONDITIONS

## A. Labour and employment

48. Traditionally, there is full employment in the Territory. During the period under review, however, for the first time in many years, a small degree of unemployment was reported, which was ascribed to the subdivision of large farms.

49. There are established scales of wages for Stanley and for the Camp. As of 1 January 1991, hourly wages at Stanley were as follows: handymen, £3.24-£3.58; labourers, £3.17; and skilled labourers, £3.24-£3.58 and £3.61-£3.94. A 40-hour week is customary.

50. In the Camp, minimum monthly wages for a 40-hour week for agricultural workers were as follows: general labourers, £320.24; semi-skilled workers,

£331.42; skilled workers, £349.41; and foreman or head shearer, £385.41. In addition, a cost-of-living adjustment is paid to all Camp employees. Labourers and shepherds also receive free quarters, fuel, meat and milk. Extra bonuses are paid for shearing, while labourers and shepherds are able to add to their earnings by engaging in contract work, such as fencing and peat-cutting. Employees in the Camp are given 21 days' annual holidays, including nine public holidays.

51. There are a number of overseas personnel working under contract, including St. Helenian workers who are often employed on short-term contracts to fill essential vacancies.

52. Various government departments and certain other employers at Stanley have apprenticeship schemes for training the limited number of craftsmen required.

## B. Housing

53. The majority of the houses in Stanley are privately owned. The Government owns a number of houses that are rented to government employees and other residents of Stanley.

54. In the period under review, the administering Power reported that housing development undertaken by the Government and other sponsors had been completed. The territorial Government, having completed a programme of "general needs" housing construction, was concentrating resources on the provision of single-person housing and serviced plots for self-builders and local companies. Reports indicated increasing involvement in construction by the private sector.

## C. Public health

55. Medical and dental treatment and drugs are free to the residents of the Falkland Islands (Malvinas). All employed persons are required to pay a medical service levy of 1 per cent of their salary and employers, 1.5 per cent of the salary paid. Self-employed persons contribute 1.5 per cent of their net income for medical services.

56. There is no private system of medical care. The Falkland Islands Government Medical Department employs six registered medical practitioners, 10 registered nurses, 6 midwives, 8 untrained nursing auxiliaries, 3 laboratory and X-ray technicians, 1 dental surgeon, 1 pharmacist and 1 physiotherapist.

57. There is a joint civilian/military hospital, the King Edward Memorial Hospital, which was opened in 1987. Built at a cost of approximately £13 million, this hospital is equipped with 28 beds, including 2 for intensive care and 2 for maternity units. Facilities include an operating theatre suite, a pathology laboratory, an X-ray department and a casualty resuscitation

department. The hospital civilian medical service provides primary care to the population of the Territory, to some military personnel and to the crews of the fishing fleets operating around the Falkland Islands (Malvinas). It also provides airborne medical service to outlying farm settlements. Cases requiring specialist facilities are transferred to the United Kingdom via the Royal Air Force Medevac system.

58. In addition to its therapeutic function, the Medical Department of the Territory is also involved in a range of preventive medicine activities, including operating child health clinics, school medical services, immunization programmes, well-woman clinics and health education and family planning programmes.

59. The general state of health and nutrition of the population is reported to be good. The principal causes of death are cancer, heart disease and respiratory infections of the aged.

60. For 1990/91, estimated recurrent expenditure on all aspects of health care and public health is estimated at £1,576,610. Special expenditures amounted to an additional £66,500.

61. A system of social welfare grants and pensions is in operation to handle hardship and disability cases. One full-time and one part-time Social Welfare Officer are employed by the Medical Department to coordinate all social welfare functions in the Territory. Currently, infirm elderly are cared for in the hospital. A sheltered housing complex with accommodations for 15 persons is situated adjacent to this facility. Old-age pension schemes, both contributory and voluntary, are in existence. There is no provision for payment of disability pensions.

## D. Educational conditions

62. Education is free throughout the Territory. Attendance is compulsory at Stanley for all children between the ages of 5 and 15 years. Outside Stanley, attendance is compulsory for all children between 5 and 15 years living within 1.6 kilometres of a settlement school and for children between 7 and 15 years living within 3.2 kilometres of a settlement school. According to the administering Power, there is virtually no illiteracy in the Falkland Islands (Malvinas).

63. In 1988, the latest year for which figures are available, school enrolment totalled 353 and there were 42 teachers, of whom 36 were formally qualified. There are seven schools: two at Stanley (a senior and a junior school), one at Goose Green, one at Fox Bay East and the remainder at three settlements in the Camp. Secondary education is available only at Stanley, where 137 senior and 158 junior students were enrolled in 1988. There is a government boarding hostel at Stanley, with accommodation for 85 older children attending senior school and the upper classes of the junior school. A new secondary school is being built at Stanley at a cost of approximately $US 20 million. It is expected to be completed by 1992.

64. Although the Spanish language has been reintroduced in the school curriculum, all instruction in the schools of the Falkland Islands (Malvinas) is provided in the English language. The textbooks are obtained from the United Kingdom and opportunities exist for students to further their education in that country, financed by the United Kingdom Government, which also makes available bursaries for tertiary training.

## E. Human rights

65. According to the administering Power, the principles set out in the Universal Declaration of Human Rights are observed in the Territory. In addition, the administering Power has extended the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights to the Territory, although they are not embodied in any one legislative instrument. The Constitution forbids the enactment of laws that are discriminatory.

## F. Status of women

66. According to the administering Power, in conformity with articles 2 and 3 of the International Covenant on Civil and Political Rights, there is no discrimination on the basis of sex in the Falkland Islands (Malvinas).

## Notes

1/ The information contained in the present paper covering the period has been derived from official United Nations documentation, from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 6 August 1991 for the year 1990/91.

2/ The Europa World Yearbook (London), vol. II, 1990, p. 2758.

3/ The New York Times, 15 June 1991.

4/ The Europa World Yearbook (London), vol. II, 1990, p. 2759.

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